GOVERNMENT OF INDIA
LABOUR
LOK SABHA

UNSTARRED QUESTION NO:1160
ANSWERED ON:30.07.2001
CLOSURE OF INDUSTRIES
PUTTASWAMY GOWDA

Will the Minister of LABOUR be pleased to state:

(a) whether many industries in the country are facing closure due to various reasons;

(b) if so, the details thereof, State-wise;

(c) whether some State Governments have approached the Union Government for permission to retrench workers of these industries;

(d) if so, the details thereof;

(e) whether Union Government have granted approval to State Governments to retrench workers from these industries; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI MUNI LALL)

(a) to (f): Due to increase in competition and rapid technological changes, there has been incidence of closures, specially in certain manufacturing industries which are no longer competitive. Composite data on closure regarding all types of establishments is not maintained. However, some data is available on closure under the Industrial Disputes (ID) Act, 1947 both byState and Central Governments. The Central sphere and the State sphere, along with definition of appropriate Government for giving permission for closure, is given in the I.D Act. In accordance with these provisions, no State Government is required toapproach the Union Government for permission to retrench the workers. Based on informationreported to Labour Bureau, the Statewise details of closures effected under the ID Act, both by the Central Government and the State Governments, are given at annexure.